GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Mines & Minerals - Exemption of Levy of Consideration amount on Barytes being produced by M/s APMDC Ltd – Orders-Issued.
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INDUSTRIES & COMMERCE (MINES-III) DEPARTMENT

G.O.Ms.No.53 Dated: 07/07/2021
Read the following:-

1.G.O.Rt.No.262, Ind & Com (M.II) Dept, Dt.24.08.2017
2.G.O.Ms.No.42, Ind & Com (M.III) Dept, Dt.07.06.2021
3. From the VC & MD, APMDC, Vijayawada, Lr.No.M&S-106/BAR-GT/2021/484, Dt.21.06.2021

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ORDER:

Government, vide G.O.2nd read above, have issued orders levying consideration amount on the lease holders, in addition to the Seigniorage Fee, DMF and MERIT, @ one time of Seigniorage fee for all minor minerals (except granite, where it is @ 0.5 times Seig. fee) irrespective of the mode of grant of leases.

2. The VC&MD, M/s APMDC, in the Letter 3rd read above, has stated that the APMDC is fully owned undertaking of the State Government, operates not only for Profit Maximization but also to serve the social objectives of the Government. It is involved in building up of infrastructure for development, generating surpluses for further investment, creating employment opportunities and promotion of rapid economic growth. Accordingly, as per the instructions of the State Government, APMDC is assisting in implementation of various flagship schemes, such as sand supply to beneficiaries under the "Navaratnalu-Pedalandarikiillu (NPI) Programme", supply of survey stones to SSL&R Department under the "YSR Jagananna Shaswota Bhu Hakku mariyu Bhu Raksha Pathakam" etc.

3. The APMDC is India's largest producer and supplier of Barytes since 1975. APMDC operates the Barytes mine in Mangampet (V), YSR district, A.P. Which is the single largest deposit in the world. APMDC accounts for more than 95% of Barytes produced in India and is renowned globally for its superior quality.

4. In the G.O., 1st read above, Government have issued detailed guidelines for fixation of the base prices for various grades of Barytes. Pursuantly, APMDC determined the grade wise base prices for FY 2021-22 after taking cognizance of international market conditions and various other factors.

5. Based on the base price determined for various grades of Barytes, APMDC conducted e-Tender cum forward e-Auction to determine the sale price (HI Price) which was finalized at ~3% higher than the previous sale price. Recently,

P.T.O.

APMDC entered into sales agreements in March 2021 at these enhanced rates with buyers, which will be applicable for a period of 1 year. As per the agreement, the buyer has to bear all the statutory taxes & levies, which will include the recently imposed Consideration Amount. Any further increase in prices now will lead to cancellation of these agreements and loss of market share for APMDC Barytes.

6. Therefore, the VC&MD., APMDC while giving proper justification, has requested the Government to exempt from levying of consideration amount on Barytes being produced by M/s APMDC Ltd.

7. Government, after careful examination of the request of the VC&MD, M/s APMDC, hereby exempt from levying of consideration amount stipulated vide G.O.2nd read above, on Barytes being produced by M/s APMDC Ltd; which is fully owned Public Sector Undertaking of State Government.

8. The Director of Mines and Geology, A.P., and the VC&MD, M/s APMDC, shall take necessary further action accordingly in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

GOPAL KRISHNA DWIVEDI
PRINCIPAL SECRETARY TO GOVERNMENT(MINES)

To
The Director of Mines and Geology, A.P., Vijayawada.
The VC&MD, M/s APMDC, Kanuru, Vijayawada
Copy to:
All the District Collectors in the State.
The OSD to Hon'ble Minister(Mines & Geology)
The PS to Secretary to Hon'ble CM.
The PS to Prl.Secretary to Govt (Mines).
SF/SC (Comp.No.1441941)

//FORWARDED : BY ORDER//

SECTION OFFICER